

Metal Powder Works March 2025 Quarterly Report

Metal Powder Works Limited (ASX: MPW) (“Metal Powder Works” the “Company” or “MPW”), a producer of high-quality metal powders for additive manufacturing and other advanced applications is pleased to release its Quarterly Report for the period ending 31 March 2025.

Highlights:

- Metal Powder Works recommenced trading on the ASX on 11 March 2025 under the ASX code ‘MPW’ through a reverse merger with K-TIG Limited (“K-TIG”).
- MPW raised A\$10 million at A\$0.20 per share through the recompliance listing process.
- MPW has developed the patented MPW DirectPowder™ process, a novel approach to high-performance, precision-engineered metal powder for advanced manufacturing applications.
- MPW produced and shipped metal powders to 14 new customers during the quarter.
- The Company received its largest order to date in high-strength aluminium reflecting growing market demand.
- Positive feedback received from strategic industry partners, following Laser Powder Bed Fusion (“LPBF”) trials using MPW’s zirconium and aluminium-scandium powders.
- MPW entered a strategic collaboration with Titomic to further optimise the DirectPowder™ process for cold spray applications across key industries.
- MPW successfully completed the Preliminary Design Review for its Next Gen DirectPowder™ process unit.
- Key production unit upgrades are expected to double MPW’s production capacity, with completion targeted for May 2025.
- MPW strengthened its commercial team with the appointment of Greg Bartley as Vice President of Commercial Operations, overseeing sales, marketing, and strategic initiatives and Ben Arnold as its first dedicated sales professional.
- The Company continues to monitor US tariff developments closely, though there appears to be minimal exposure to tariff-related impacts at this time.
- With strong momentum in both copper and titanium powders, MPW is well-positioned to capitalise on growth in the global metal additive manufacturing market.
- During the quarter, the Company delivered cash receipts from operations of A\$634k.
- Cash at bank of A\$8.47m provides strong runway to deliver meaningful growth.

Commenting on the Company’s progress made in the March quarter, Co-Founder and Managing Director John Barnes said:

“I’m pleased to report that we’re progressing to plan and delivering on the key initiatives we outlined at the time of our recompliance listing. Since our relisting we have made meaningful strides – including the appointments of Greg Bartley and Ben Arnold, advancing our product development pipeline, and securing new customer orders. It’s an encouraging start and a strong foundation for the months ahead.”

Metal Powder Works - Recap and Applications

- MPW’s DirectPowder™ process is a patented innovation in powder manufacturing, the first true innovation in over 50 years.



- The DirectPowder™ process converts premium bar stock into high-quality metal powders without using heat, offering advantages over traditional atomisation methods, including energy efficiency and substantially higher yields of approximately 95%.
- This process enables consistency in particle size, shape, chemistry, and lacks fines, satellites, or pores due to room temperature operation, leading to better outcomes for customers.
- Successful demonstrations of MPW's DirectPowder™ have been completed in multiple additive manufacturing processes, including Directed Energy Deposition, Binder Jetting, Laser Powder Bed Fusion, and Cold Spray technologies.
- MPW's current powder product portfolio is significant, including 8 aluminium, one titanium, 7 copper and/or bronze, zirconium, and refractory (C103-Nb – Niobium alloy in development).
- MPW already produces 16 commercial metals with pilot programs for high-temperature metals such as titanium and C103. The Company plans to double available materials by the end of calendar 2025.

Operational Highlights

Successful Capital Raise

Metal Powder Works recommenced trading on the ASX on 11 March 2025, after raising A\$10m through a reverse merger with K-TIG Limited (K-TIG). The raise was completed through the issue of 50 million shares at A\$0.20 per share, giving the Company an indicative market capitalisation of A\$27.9 million at the time of relisting. Morgans Corporate Limited acted as Sole Lead Manager to the offer.

Key Strategic Outlook

Following the successful relisting on the ASX, MPW is well-positioned to pursue its near-term priorities, which include advancing commercial agreements with existing customers, such as Toho Titanium, and progressing new customer relationships in line with the recent sales team expansion.

In parallel, MPW is scaling its production capacity to meet increasing market demand. This is demonstrated through the upgrade of two DirectPowder™ units and introduction of MPW's Next Gen architecture, both of which are expected to deliver significant improvements in throughput and production efficiency.

MPW intends to expand its product offerings to 32 alloys, subject to commercial alignment, with strong market interest already demonstrated through recent orders in high-strength aluminium and CP titanium. MPW is working to expand its footprint in the copper-based alloys and emphasise its position as the only dedicated domestic copper-based powder producer in the United States. The Company's DirectPowder™ process enables copper powders to print at 40% less power, improving laser absorptivity and reducing energy consumption.

As a result of these initiatives, the pipeline is growing in both scale and diversity. The Company aims to build on strong operational momentum and is focused on its strategy to capture long-term growth in the global metal additive manufacturing market.



Customer Update

MPW achieved solid commercial progress, marked by the successful expansion of its customer base and increased sales activity. The Company shipped metal powders to 14 new customers and 9 existing customers during the quarter, reflecting strong demand across a range of sectors and applications. This included engagements with 13 laser powder bed fusions (LPBF) customers, 8 cold spray customers, and 2 legacy powder manufacturing entities.

These shipments resulted in new orders totalling US\$115,000 during the quarter (excluding existing contracts), which added to the Company's order backlog. The increase supports forward visibility on revenue and indicates significant demand for MPW's metal powders across various applications.

The Company also expanded its geographic reach, supplying powders to customers across North America, Europe, and Asia. The addition of a dedicated internal sales team is expected to further accelerate commercial activity, with efforts underway to build pipeline opportunities across both powder and equipment sales. This forms part of MPW's strategy to fully leverage its existing production capacity and further establish its position in the supply chain.

MPW's commercial model includes direct powder sales, unit sales, as well as paid development programs. This approach allows a versatile service whilst supporting customers with recurring production across sectors such as defence, aerospace, and energy.

Expansion of Cold Spray Additive Manufacturing Capabilities Through Titomic Collaboration

Subsequent to the quarter ending, Metal Powder Works entered into a non-binding strategic collaboration memorandum of understanding with Titomic Limited (ASX:TTT) ("**Titomic**"), a global leader in cold spray additive manufacturing. The collaboration will focus on optimising MPW's proprietary DirectPowder™ process for cold spray applications across critical industries, including aerospace, energy, oil & gas, MRO, and other high-tech sectors.

Under the agreement, MPW's tuneable powder technology will be evaluated and refined to meet the performance requirements of Titomic's advanced manufacturing processes. The initial testing and evaluation phase is expected to be completed within the next 3-6 months. The collaboration will include joint materials testing, performance assessments, and process optimisation, with the goal of establishing a long-term binding commercial supply arrangement. The Company will continue to update the ASX as the testing and evaluation phase progresses.

This initiative highlights MPW's commitment to enabling faster, more cost-effective additive manufacturing through high-performance powders and strong industry partnerships.

Toho Contract

During the quarter, MPW completed the shipment of commercially pure (CP) titanium powder to Toho Titanium Co. Ltd ("**Toho**"), fulfilling the terms of its current supply contract. This delivery enables Toho to proceed with testing and integration of MPW's powder into its manufacturing process.

Toho's internal testing of MPW's metal powder is expected to take approximately two months. The objective is to validate the powder's performance for ongoing use. Positive outcomes from this testing are expected to support the potential for future orders and continued supply arrangements.



MPW is engaged in ongoing discussions with Toho regarding follow-on development, with the aim of deepening the commercial relationship through continued collaboration and product validation.

Successful Testing in LPBF Trials

MPW received positive feedback from the testing of its zirconium powder in Laser Powder Bed Fusion (“LPBF”) 3D printing. This feedback affirms the suitability of MPW’s zirconium powder for advanced manufacturing applications, particularly in the energy and defence sectors. A development roadmap is now in place to advance the zirconium program through 2025, aligned with increasing interest from strategic industry partners and supported by MPW’s status as one of the only domestic suppliers of zirconium powder in the USA.

During the quarter, MPW successfully launched the Powder Partner Program (“PPP”) to support deeper technical collaboration and accelerate supply agreements. The PPP is designed to work closely with manufacturers to validate powder performance in real-world production environments. Once the validation process is completed, the program is expected to conclude with offtake agreements, and the Company looks forward to providing further updates.

Product Offering Expansion

MPW continued to advance the scope of its powder portfolio in response to strong customer demand. The Company intends to expand its product offerings to 32 alloys, subject to clear commercial pathways and continued demand. In line with this objective, MPW received an order during the quarter for a high-strength aluminum, AA2219, supporting a defence program. This order marked the successful production of MPW’s 17th alloy and the Company’s largest single-volume sale to date.

To support the Company’s vision of long-term scalability, MPW completed the preliminary design review (“PDR”) for its Next Gen architecture. The upgraded system remains on schedule and is expected to deliver a 25% increase in productivity in the initial release compared to the current Alpha configuration. This improvement will enable MPW to meet increasing demand more efficiently while preserving the quality and consistency of the DirectPowder™ process.

As part of its near-term capacity enhancement, MPW ordered key components during the quarter to bring two existing production machines up to the alpha configuration of the DirectPowder™ process. The upgrades are expected to be completed in May 2025 and will double the Company’s current production output. These investments in technology and capacity align with MPW’s growth strategy and ongoing customer engagement.

Key appointments to drive sales growth

The Company has continued to expand its sales and marketing team to capitalise on the increasing demand within the additive manufacturing market. Subsequent to the quarter ending, Greg Bartley was appointed as Vice President of Commercial Operations. Mr Bartley will assume responsibility for commercial operations, sales and marketing, and communications initiatives.

With an extensive background in engineering, sales, and strategic business development, Greg brings a wealth of expertise to the MPW leadership team. His appointment underscores MPW’s commitment to enhancing its market presence and leveraging its cutting-edge technology to meet customers’ powder inventory needs.



MPW also appointed Ben Arnold in January 2025 to assist in sales growth. Mr Arnold is a seasoned additive manufacturing specialist. This appointment aligns with the Company's plans to increase sales and market penetration.

Robust pipeline across diverse base provides strong outlook

MPW's commercial pipeline has strengthened considerably compared to the same period last year, reflecting the impact of increased marketing efforts and onboarding a dedicated sales professional, despite only being in place for just over two months. With the addition of senior leadership post quarter end to guide strategic priorities and resource deployment, the pipeline is expected to grow further in the near term.

Notably, interest in DirectPowder™ process units has grown meaningfully, and MPW has received strong interest regarding a sale of a DirectPowder™ system. MPW's CP titanium powder has also brought increased interest, with testing expected to commence shortly. The Company anticipates continued expansion of its commercial pipeline as it scales production capacity and executes targeted growth initiatives.

US Tariff Update

MPW continues to monitor the evolving US trade and tariff developments closely. While the situation remains complex, the Company does not anticipate material exposure to the recently announced tariff actions at this time. MPW primarily sources its raw material inputs, specifically premium bar stock, from domestic suppliers, limiting its reliance on imported materials. As MPW expands its export activities, the Company will continue to evaluate the potential impact of any reciprocal tariffs on outbound shipments.

Contingency planning is underway to leverage MPW's proprietary DirectPowder™ process's unique advantages. The company believes that these inherent advantages are difficult for competitors to replicate and support MPW's ability to maintain superior product quality and cost efficiency despite evolving global trade conditions.

Conferences and Publications

MPW continued to build industry recognition through high-profile conference participation and academic collaboration during the quarter.

At the Additive Manufacturing Strategies Conference in New York (Feb 2025), Managing Director John Barnes delivered a keynote on alloy innovation for defence applications and moderated a panel on metals in AM. MPW also exhibited at the Military Additive Manufacturing Conference in Tampa, the largest defence-focused AM event, attended by more than 1,000 delegates from 15 countries. In April 2025, MPW participated in RAPID + TCT in Detroit, North America's largest AM event, where John Barnes was awarded the 2025 SME Industry Achievement Award.

MPW's technology also received academic validation through several publications. A peer-reviewed article in *Materials & Design* detailed successful LPBF trials using 7A76 powder produced via the DirectPowder™ process. Additionally, the University of Pittsburgh presented results on binder jet and sintering of MPW's copper powder at the TMS Conference.





Figure 1: Metal AM Materials Panel Discussion at the Additive Manufacturing Strategies Conference - New York, Feb 2025



Figure 2: MPW's exhibit at the Military Additive Manufacturing Conference – Tampa, FL



Figure 3: University of Pittsburgh presentation, featuring results on MPW's copper powder – TMS Conference

Financial Performance

The attached Appendix 4C provides details on the cashflows for the quarter ended 31 March 2025. The Appendix 4C reflects the trading performance of the K-TIG business for the period 1 January 2025 – 28 February 2025 and the consolidated KTIG and MPW business for the period 28 February 2025 to 31 March 2025 following completion of the MPW acquisition on 28 February 2025. As at 31 March 2025 the Company had a cash balance of A\$8.471m. The Company's net cash used in operating activities for the quarter amounted to A\$0.776m. During the quarter receipts from customers were A\$0.634m, staff costs were A\$0.540m and product and manufacturing costs were A\$0.416m.

Use of Funds Statement

Metal Powder Works was admitted to the official list of the ASX on 11 March 2025 following completion of its relisting raising A\$10m. The March 2025 quarter is included in a period covered by a use of funds statement in the prospectus lodged with ASX under Listing rule 1.1 condition 3.

A comparison of the Company's actual expenditure since admission to 31 March 2025 against the estimated expenditure in the use of funds statement is set out below as required by ASX Listing Rule 4.7C.2.



Use of funds – Years 1 & 2	Actual	Prospectus total
Scale NextGen System	312,498	1,250,000
Sales and Marketing	319,934	1,500,000
Powder development production	290,561	4,500,000
Market expansion assessment	-	250,000
Working capital	464,267	2,160,000
Offer costs	1,196,445	1,000,000
Total	2,583,706	10,000,000

The Company notes:

- The 'working capital' line item includes, inter alia, executive management salaries and wages who are supporting the growth strategy and the Company's business objectives.
- The actual 'Offer costs' line item includes costs in relation to the recompliance listing.

As disclosed in item 6.1 of the attached Appendix 4C, \$0.171m was paid in respect of directors' fees and consulting fees to entities associated with the directors during the March 2025 quarter.

Summary and Outlook

- Following the successful combination with K-TIG, the Company's primary focus is the production of specialist additive manufacturing powders.
- MPW has successfully expanded its sales team to capitalise on industry demand. The Company is well placed to now execute, initially focusing on the US market before targeting Europe and Australasia.
- Production output will be increased by leveraging High Mix Low Volume metals, ensuring greater capacity to meet rising demand.
- The Company is advancing the implementation of its NextGen technology to capitalise on opportunities in CP Titanium.
- MPW aims to begin scaling CP Ti to 90 tonnes to fulfil potential tier 1 client opportunities by Q1 2026.
- MPW will continue to foster and expand its collaborations with the defence sector for alloy powder development while also deepening partnerships with industry and research institutions.
- The Company will expand its production capacity of reactive materials and work with the innovation system to demonstrate downstream manufacturing.
- Future growth within metal additive manufacturing is expected to be strongest in the powder segment, positioning Metal Powder Works favourably in this expanding market.
- The powder market focus is initially on copper, with titanium expected to provide strong tailwinds of demand.

This announcement has been authorised for release by the Board of Directors.



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ABOUT METAL POWDER WORKS

Metal Powder Works Limited (ASX:MPW) is headquartered in Pittsburgh, USA and specialises in the production of high-quality metal powders for additive manufacturing and other advanced applications. MPW has developed a patented, non-thermal powder production process known as *DirectPowder™*. The MPW process represents the first true innovation in powder manufacturing in over 50 years. This innovative method converts premium bar stock into quality powder for a variety of materials and applications, significantly improving yield and affordability. MPW currently has 16+ powders in production including high strength aluminum, Copper and Copper Nickel alloys, and specialty alloys including CP-Ti and Zircaloy. In 2024, Metal Powder Works was named as Material Company of the Year by the 3D Printing Industry Awards.

FORWARD LOOKING STATEMENTS

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of Metal Powder Works Limited, are, or may be, forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

For further information please see www.metalpowderworks.com

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Metal Powder Works Limited

ABN

28 158 307 549

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	634	1,449
1.2 Payments for		
(a) research and development	(15)	(15)
(b) product manufacturing and operating costs	(416)	(684)
(c) advertising and marketing	(10)	(10)
(d) leased assets		
(e) staff costs	(540)	(903)
(f) administration and corporate costs	(466)	(1,106)
1.3 Dividends received (see note 3)		
1.4 Interest received	13	14
1.5 Interest and other costs of finance paid	-	(2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	24	24
1.8 Other (provide details if material)*		
1.9 Net cash from / (used in) operating activities	(776)	(1,233)
*Other related to Administrator/VA costs		

2. Cash flows from investing activities

2.1 Payments to acquire or for:

- (a) entities
- (b) businesses
- (c) property, plant and equipment
- (d) investments
- (e) intellectual property

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Cash acquired as part of business acquisition	39	39
2.6	Net cash from / (used in) investing activities	39	39

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,000	10,000
3.2	Proceeds from issue of convertible debt securities	-	500
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,196)	(1,196)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	8,804	9,304

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	344	305
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(776)	(1,233)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	39	39
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,804	9,304
4.5	Effect of movement in exchange rates on cash held	60	56
4.6	Cash and cash equivalents at end of period	8,471	8,471

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	8,466	339
5.2	Call deposits	5	5
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,471	344

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	171
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Convertible Note)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(776)
8.2 Cash and cash equivalents at quarter end (item 4.6)	8,471
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	8,471
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	10.91
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 17 April 2025

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.